

MEMORANDUM

To: DHS Division Directors and Division Budget Officers

From: Mark Brasher, Deputy Director



Date: September 15, 2014

Subject: *DHS Division Grant Expectations and Requirements*

All grants from a Division of the Department of Human Services must follow applicable State policy and Department disbursement expectations and requirements. The following is further clarification and guidance regarding requirements to disburse grant funds:

- Division Director and Division Budget Officer must authorize (through signature) the grant.
- The rationale for providing the grant to the selected entity (including justification why the grant is proper and reasonable use of public funds) must be included as supporting documentation to distribute grant funds.
- Timing (such as quarterly) of grant fund disbursement is determined by Division based on circumstances appropriate to the grant using reasonable cash management judgment beneficial to the State. (Divisions must comply with Department fiscal procedure requirements for prepayment circumstances.)
- Grants to nonprofit corporations must comply with statute, *51-2a-204*. Divisions must be able to demonstrate required disclosures were obtained and State Auditor was notified.
- Grants of federal funds must follow applicable federal requirements including sub-recipient monitoring.

For grants involving State funds to nonprofit entities (as defined in statute, *63J Chapter 9*) the following are further requirements:

- Division must award grants in compliance with statute, *63J Chapter 9*.
- Division must ensure adequate itemized annual report of State money expenditures is obtained along with any other reports determined appropriate for the grant.
- Division must use Department approved agreement template for grants to nonprofit entities.

This memo is not applicable to grants for a specific individual paid through the CAPS FPA service code.